

# Understanding the IDEA Part B State Grant Funding Cycle and Different Fiscal Years

## Introduction

## INTRO

This document reviews the life cycle of an Individuals with Disabilities Education Act (IDEA) Part B state grant and how those phases correspond to federal and state fiscal years.

Each year, each eligible state or territory receives a federal grant under Part B of the IDEA, called a **Section 611 grant**, to support special education and related services for children ages 3 through 21. All 50 states (as well as the District of Columbia and Puerto Rico) also receive **Section 619 grants**, which are IDEA funds to support the education of children ages 3 through 5.

Each Section 611 grant and Section 619 grant is associated with a **federal fiscal year** (FFY). The federal fiscal year runs from October 1 to September 30. For example, FFY 2024 is the federal fiscal year October 1, 2023, through September 30, 2024. IDEA grant awards are referenced by the federal fiscal year in which the appropriation is enacted but are available for obligation the subsequent federal fiscal year because they are *advance appropriations*. So, FFY 2024 IDEA Section 611 or Section 619 grants refer to awards authorized for obligation in federal fiscal year period October 1, 2024, through September 30, 2025, and correspond with school year 2024–25.

Each state chooses its own **state fiscal year** (SFY). In most states, the state fiscal year runs from July 1 to June 30. For example, SFY 2025 is the state fiscal year running from July 1, 2024, to June 30, 2025. It corresponds with school year 2024–25.

Understanding the relationships among fiscal years will be particularly important for users of the *IDEA Part B Fiscal Timeline*, a tool designed to help state staff manage Section 611 and Section 619 grants.<sup>1</sup>

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<sup>1</sup> <https://cifr.wested.org/resource/idea-part-b-fiscal-timeline/>

## Life Cycle of an IDEA Part B State Grant Award

# LIFE CYCLE

### PLANNING

Planning for a new IDEA Part B state grant can begin as soon as the Office of Special Education Programs (OSEP), U.S. Department of Education, releases preliminary budget information — as early as December or January. The state application for IDEA funds must be submitted by May and is generally approved by OSEP before July 1. For example, planning for FFY 2024 funds can begin as early as December 2023, with the application submitted in May 2024.

### FORWARD FUNDING PERIOD

Once a state has demonstrated eligibility through its application, a partial Section 611 grant award to the state is made available in July, three months before the start of the next federal fiscal year, with the remainder available in October when that federal fiscal year begins. For example, a portion of the FFY 2024 funds become available for obligation (i.e., available to spend) on July 1, 2024, three months before the start of FFY 2025 on October 1, 2024. Section 619 grant awards are made available in full on July 1 each year. This early funding availability is due to specific authorization for “forward funding” of IDEA funds specified in the appropriations legislation.

### AWARD YEAR FUNDING PERIOD

The award year funding period is the federal fiscal year for which IDEA Part B state grant awards were appropriated by Congress. For example, because they are advance appropriations, the award year funding period for FFY 2024 funds is FFY 2025: October 1, 2024, through September 30, 2025.

### TYDINGS PERIOD

The Tydings period is the same as the “carryover period” allowed by 34 CFR 76.709(a). It allows state recipients to carry over and obligate for one additional year any federal education funds that were not obligated in the fiscal year for which they were appropriated (section 421(b) of the General Education Provisions Act (GEPA), 20 U.S.C. 1225(b) and 34 CFR §76.709). For example, the Tydings funding period for FFY 2024 funds is October 1, 2025, to September 30, 2026.

### PERIOD OF PERFORMANCE

Taken together, the forward funding period, the award year funding period, and the Tydings period create a 27-month period of performance. States can obligate appropriated IDEA funds throughout this period (2 CFR 200.1). This period is also referred to as the period of obligation. For example, FFY 2024 funds can be obligated from July 1, 2024, through September 30, 2026.

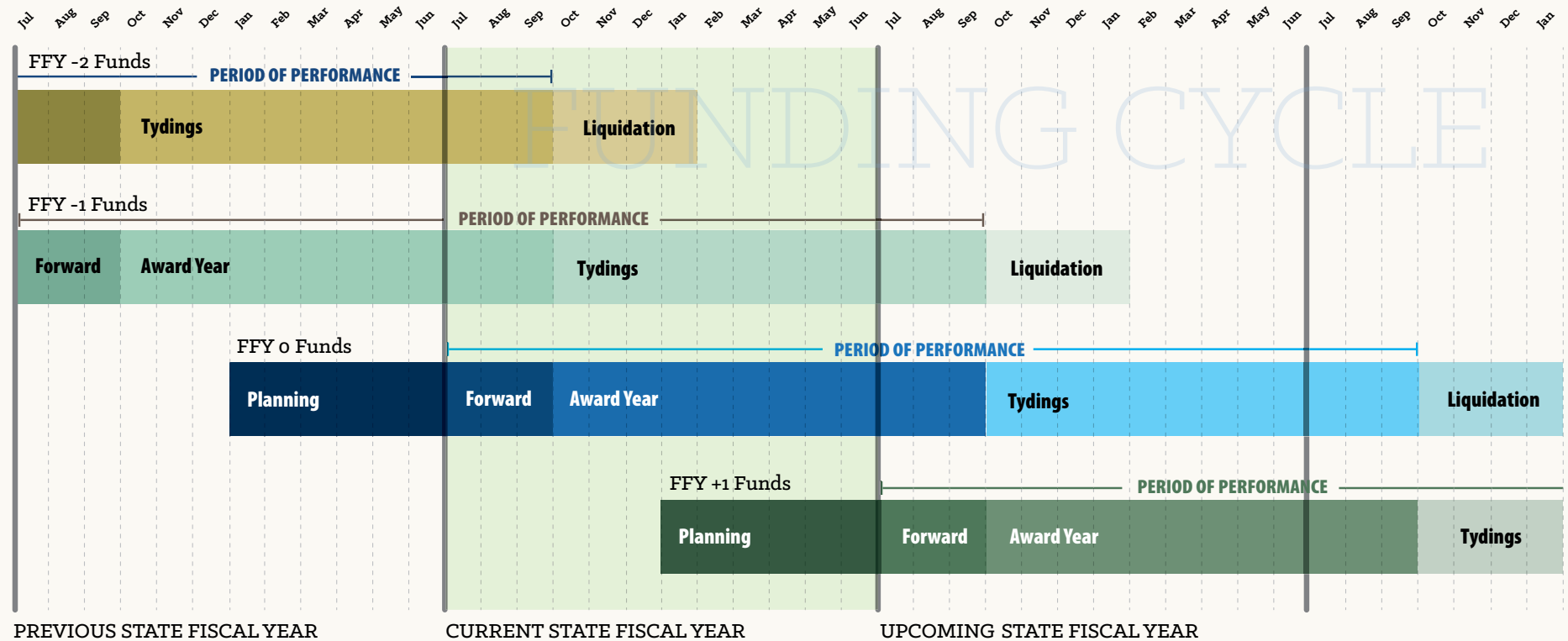
### LIQUIDATION PERIOD

State recipients must liquidate all obligations (i.e., pay outstanding debts) within 120 days of the end of the period of performance.<sup>2</sup> This deadline is January 28.

For example, FFY 2024 funds must be liquidated by January 28, 2027. Extensions to this liquidation period may be considered by the U.S. Department of Education (2 CFR 200.344(c)).

<sup>2</sup> Subrecipients (e.g., local educational agencies) must liquidate all obligated funds and submit all financial, performance, and other reports required by a subaward no later than 90 calendar days after the period of performance. See 2 CFR §200.344(b) and (c) for more detail.

## IDEA Part B State Grant Funding Cycle



The graphic above depicts the stages of an IDEA Part B state grant and how they correspond to federal and state fiscal years. From left to right, the graphic shows state fiscal years using a common timeframe, July 1–June 30, separated by dark vertical lines. The shaded area in the middle represents the *Current State Fiscal Year*.

Each horizontal bar represents part or all of the 37 months during which one of these grants should be considered. Each differently shaded section of each horizontal bar represents a different stage of that award's life cycle: 6 months for planning, 3 months of forward funding, 12 months of award year funding, 12 months of the Tydings period, plus 120 days of liquidation.

Four different federal fiscal years are considered from the standpoint of the *Current State Fiscal Year* on this graphic:

- FFY -2 Funds: The grant award from two years ago is available for obligation until September 30 and for liquidation until January 28 of the current state fiscal year. (Gold bar)
- FFY -1 Funds: The grant award from the previous fiscal year is available for obligation throughout the current state fiscal year. (Light green bar)
- FFY 0 Funds: The current year grant award is available for obligation. (Blue bar)
- FFY +1 Funds: Planning and applying for the upcoming year's grant begins in January. (Dark green bar)

In any state fiscal year, state recipients and subrecipients are planning for, obligating, expending, and liquidating up to four years of IDEA grant awards.

For help understanding the state grant funding cycle, please email [cifr\\_info@wested.org](mailto:cifr_info@wested.org).

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This resource was updated in 2024 to reflect changes to the Uniform Grant Guidance. We recommend replacing any earlier versions in your records with this updated version.